



KEYSER MARSTON ASSOCIATES
ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

MEMORANDUM

To: Eri Kameyama, Associate Project Manager, Redevelopment
Centre City Development Corporation

From: KEYSER MARSTON ASSOCIATES, INC.

Date: April 10, 2008

Subject: 2008 Housing Affordability Levels

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REAL ESTATE
REDEVELOPMENT
AFFORDABLE HOUSING
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I. Introduction

Keyser Marston Associates, Inc. (KMA) has prepared estimates of current affordable housing rents and sales prices for the City of San Diego, using 2008 income figures from the U.S. Department of Housing and Urban Development (HUD), State of California Department of Housing and Community Development (HCD), and the California Tax Credit Allocation Committee (TCAC). This memorandum presents affordable rents and sales prices for two distinct affordable housing programs -- California Redevelopment Law (affordable rents and sales prices) and the Federal Low-Income Housing Tax Credit (LIHTC) program (affordable rents only).

Both programs employ two separate qualification tests:

- Individual households are qualified based on their actual income adjusted for household size.
- Maximum unit rents and prices are set based on the appropriate household size for a given unit size and specific income thresholds identified by the respective programs.

This memorandum outlines relevant program rules and specific KMA assumptions used in estimating affordable rents and prices. It is organized as follows:

- Section II addresses the income and rental restrictions based solely on California Redevelopment Law.

- Section III calculates maximum income restrictions and affordable rents for developments subject to California Redevelopment Law and financed through the LIHTC program.
- Section IV calculates maximum income and sales prices under California Redevelopment Law.
- Section V provides estimates of utility allowances.

II. California Redevelopment Law - Rental

Under California Redevelopment Law, income restrictions and rent restrictions applying to affordable rental housing for 2008 are as follows:

Exhibit II-1: Income Restrictions – California Redevelopment Law, 2008			
Family Size	Very Low Income at or Below <u>50% AMI</u>	Lower Income Between 51% and <u>80% AMI</u>	Moderate Income Between 81% and <u>120% AMI</u>
1 Person	\$27,650	\$44,250	\$60,500
2 Persons	\$31,600	\$50,550	\$69,200
3 Persons	\$35,550	\$56,900	\$77,900
4 Persons	\$39,500	\$63,200	\$86,500
5 Persons	\$42,650	\$68,250	\$93,400

Exhibit II-2: Rent Restrictions – California Redevelopment Law, 2008 ⁽¹⁾			
Unit Size	Very Low Income <u>30% of 50% AMI</u>	Lower Income <u>30% of 60% AMI</u>	Moderate Income <u>30% of 110% AMI</u>
Studio	\$631	\$758	\$1,389
1 Bedroom	\$721	\$866	\$1,587
2 Bedroom	\$811	\$974	\$1,785
3 Bedroom	\$901	\$1,082	\$1,983
4 Bedroom	\$974	\$1,169	\$2,142

(1) Reflects gross rent. Gross rent minus utility allowance = maximum cash rent. See the "San Diego Housing Commission Utility Allowance" to calculate the utility allowance based on project's actual utility profile.

These figures are based on the method of calculation described below.

**California Redevelopment Law – Rental
Method of Calculation**

- A. Income Restrictions** - Qualification of prospective households is based on the actual household's income not to exceed the following income levels:

Very Low Income	Up to 50% AMI
Lower Income	Between 51 - 80% AMI
Moderate Income	Between 81 - 120% AMI

The income levels for all households are determined based on 2008 income limits as established by HUD (Very Low Income and Lower Income) and HCD (Moderate Income) for San Diego County, as of March 2008, adjusted for actual household size.

- B. Rent Restrictions** - Calculation of affordable rents is based on established benchmarks defined in California Health & Safety Code (H&SC) Section 50053. The detailed calculations are presented in Attachment A and incorporate the following key assumptions.

1. Assignment of family size (number of persons) vs. unit size (number of bedrooms) based on the number of persons exceeding the number of bedrooms by one, as follows:

<u>Unit Size</u>	<u>Household Size</u>
Studio	1.0 Persons
One Bedroom	2.0 Persons
Two Bedroom	3.0 Persons
Three Bedroom	4.0 Persons
Four Bedroom	5.0 Persons

2. Calculation of affordable rents based on the formulas shown below.

Very Low Income	30% of 50% AMI
Lower Income	30% of 60% AMI
Moderate Income	30% of 110% AMI

3. Very Low (50%), Lower (60%), and Moderate (110%) income figures extrapolated from the 100% AMI figures shown in the State Income Limits for 2008, published by HCD for San Diego County, as of March 11, 2008.
4. Utility allowances are determined by the San Diego Housing Commission and should be based on the proposed utility profile for a project. As such, rents as presented reflect gross rents, prior to any deduction for utility allowances.

California Redevelopment Law – Rental Method of Calculation (Cont'd.)			
C. <u>Summary</u> - Income and rent restrictions under California Redevelopment Law are determined based on income limits established by HUD and HCD for San Diego County, as of February 2008 and March 2008, respectively, as follows:			
	<u>Very Low Income</u>	<u>Lower Income</u>	<u>Moderate Income</u>
Income	HUD	HUD	HCD
Qualification	Very Low Income	Lower Income	Moderate Income
Restricted Rent	HCD	HCD	HCD
	50% of Median Income	60% of Median Income	110% of Median Income

III. California Redevelopment Law and Low Income Housing Tax Credits

Income restrictions and rent restrictions applying to affordable rental housing for 2008, combining California Redevelopment Law and the Low Income Housing Tax Credit Program, are as follows:

Exhibit III-1: Income Restrictions – Combined California Redevelopment Law/Low Income Housing Tax Credit Program, 2008			
<u>Family Size</u>	<u>Very, Very Low Income Below 40%</u>	<u>Very Low Income Below 50%</u>	<u>Lower Income Below 60%</u>
1 Person	\$22,120	\$27,650	\$33,180
2 Persons	\$25,280	\$31,600	\$37,920
3 Persons	\$28,440	\$35,500	\$42,660
4 Persons	\$31,600	\$39,500	\$47,400
5 Persons	\$34,120	\$42,650	\$51,180
6 Persons	\$36,640	\$45,800	\$54,960

Exhibit III-2: Rent Restrictions – Combined California Redevelopment Law/Low Income Housing Tax Credit Program, 2008 ⁽¹⁾			
<u>Unit Size</u>	<u>Very, Very Low Income 30% of 40% AMI</u>	<u>Very Low Income 30% of 50% AMI</u>	<u>Lower Income 30% of 60% AMI</u>
Studio	\$505	\$631	\$758
1 Bedroom	\$577	\$721	\$866
2 Bedroom	\$649	\$811	\$974
3 Bedroom	\$750	\$938	\$1,125
4 Bedroom	\$836	\$1,045	\$1,254

(1) Reflects gross rent. Gross rent minus utility allowance = maximum cash rent. See the "San Diego Housing Commission Utility Allowance" to calculate the utility allowance based on a project's actual utility profile.

These figures are based on the method of calculation described below.

**California Redevelopment Law with Low Income Housing Tax Credits
Method of Calculation**

A. Income Restrictions - For San Diego County, the maximum income levels for developments financed with LIHTCs and subject to California Redevelopment Law are identical. However, since maximum income levels released by the California Tax Credit Allocation Committee (TCAC) and income figures released by HUD do differ for some counties, it is important to cross-check both sources to ensure that they are consistent.

B. Rent Restrictions - Calculation of affordable rents is based on the established benchmarks and methodology described in Section II, above. Attachments B and C provide the detailed calculations used to determine the maximum rent for redevelopment projects financed with LIHTCs. The following assumptions are incorporated.

1. California H&SC § 50053 allows developers to determine household size based on pertinent Federal statutes applicable to a project. As such, for the purposes of calculating rent, developments financed with LIHTCs can assume 1.5 persons per bedroom, as follows:

<u>Unit Size</u>	<u>Household Size</u>
Studio	1.0 Persons
One Bedroom	1.5 Persons
Two Bedroom	3.0 Persons
Three Bedroom	4.5 Persons
Four Bedroom	6.0 Persons

2. Formulas for calculation of affordable rents as follows:

Very, Very Low Income	30% of 40% of AMI
Very Low Income	30% of 50% of AMI
Low Income	30% of 60% of AMI

3. Utility allowances are determined by the San Diego Housing Commission and should be based on the proposed utility profile for a project. As such, rents as presented reflect gross rents, prior to any deduction for utility allowances.
4. As shown in the detailed calculations presented in Attachments B and C, three separate affordable rent calculations are performed for redevelopment projects financed with LIHTCs. The first approach calculates affordable rents based on the number of persons exceeding the number of bedrooms by one (California Redevelopment Law).

**California Redevelopment Law with Low Income Housing Tax Credits
Method of Calculation (Cont'd.)**

The second approach estimates affordable rents based on multiplying 1.5 persons by the number of bedrooms (LIHTCs). The maximum affordable rent based on California Redevelopment Law is determined by selecting the higher qualifying rent from the two approaches (see Tables B-1 through B-3).

5. The third approach involves a comparison of maximum rents calculated based on California Redevelopment Law (Attachment B) and maximum rents allowed under the LIHTC program. As shown in Tables C-1 through C-3, the most restrictive rent as calculated by the LIHTC program and California Redevelopment Law reflects the maximum rent for redevelopment projects financed with LIHTCs. These maximum rents are itemized in Exhibit III-2.

IV. Redevelopment Law – For Sale

Maximum 2008 income limits and purchase price restrictions, based on California Redevelopment Law, are shown below. The price restrictions were calculated assuming three different for-sale residential product types, as follows:

- Mid-Rise/High-Rise Condominiums (Exhibit IV-2)
- Low-Rise Stacked Flat Condominiums (Exhibit IV-3)
- Townhomes/Single-Family Homes (Exhibit IV-4)

Note that income and price restrictions for Very Low Income households are not considered in this memorandum, given the unlikelihood of affordable for-sale residential developments targeting this income bracket.

Exhibit IV-1: Income Restrictions – California Redevelopment Law, 2008

Family Size	Lower Income Between 51% and 80% AMI	Moderate Income Between 81% and 120% AMI
1 Person	\$44,250	\$60,500
2 Persons	\$50,550	\$69,200
3 Persons	\$56,900	\$77,900
4 Persons	\$63,200	\$86,500
5 Persons	\$68,250	\$93,400

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Exhibit IV-2: Price Restrictions – California Redevelopment Law, 2008 Mid-Rise/High-Rise Condominiums		
<u>Unit Size</u>	<u>Lower Income 30% of 70% AMI</u>	<u>Moderate Income 35% of 110% AMI</u>
Studio	\$77,000	\$182,000
1 Bedroom	\$84,000	\$205,000
2 Bedroom	\$89,000	\$225,000
3 Bedroom	\$94,000	\$245,000
4 Bedroom	\$96,000	\$260,000

Exhibit IV-3: Price Restrictions – California Redevelopment Law, 2008 Low-Rise Stacked Flat Condominiums		
<u>Unit Size</u>	<u>Lower Income 30% of 70% AMI</u>	<u>Moderate Income 35% of 110% AMI</u>
Studio	\$87,000	\$193,000
1 Bedroom	\$95,000	\$216,000
2 Bedroom	\$103,000	\$239,000
3 Bedroom	\$115,000	\$266,000
4 Bedroom	\$122,000	\$285,000

Exhibit IV-4: Price Restrictions – California Redevelopment Law, 2008 Townhomes/Single-Family Homes		
<u>Unit Size</u>	<u>Lower Income 30% of 70% AMI</u>	<u>Moderate Income 35% of 110% AMI</u>
Studio	\$105,000	\$211,000
1 Bedroom	\$116,000	\$237,000
2 Bedroom	\$128,000	\$264,000
3 Bedroom	\$140,000	\$291,000
4 Bedroom	\$147,000	\$310,000

These figures are based on the method of calculation described below.

**California Redevelopment Law – For-Sale
Method of Calculation**

A. Income Restrictions - Qualification of prospective Lower and Moderate income households is based on actual household income limits as established by HUD (Lower Income) and HCD (Moderate) for San Diego County, as of February 2008 and March 2008, respectively.

Lower Income	Between 51- 80% AMI
Moderate Income	Between 81- 120% AMI

B. Price Restrictions - Calculation of affordable sales prices is based on established benchmarks defined in California H&SC § 50052.5. The detailed calculations are presented in Attachment D through F and incorporate the following key assumptions.

1. Assignment of family size (number of persons) vs. unit size (number of bedrooms) based on the number of persons exceeding the number of bedrooms by one.
2. Calculation of affordable sales prices based on the formulas shown below.

Lower Income	30% of 70% of AMI
Moderate Income	35% of 110% of AMI

3. Lower (70%) and Moderate (110%) income figures extrapolated from the 100% AMI figures shown in the State Income Limits for 2008, published by HCD for San Diego County (March 11, 2008).
4. Housing costs should be modified to reflect the specifics of the project. For illustrative purposes, KMA has assumed the following housing related costs:
 - Utilities (see detailed discussion in Section V).
 - HOA dues (reflects allowance for structure insurance, maintenance, and reserves).
 - Property taxes assuming a 1.15% tax rate.
 - Supportable mortgage assuming a 30-year loan; 6.5% interest; and a 5% down payment.

**California Redevelopment Law – For-Sale
Method of Calculation (Cont'd.)**

C. Summary – As shown above, income and price restrictions under California Redevelopment Law are determined based on income limits established by HUD and HCD for San Diego County, as follows:

	<u>Lower Income</u>	<u>Moderate Income</u>
Income Qualification	HUD Lower Income	HCD Moderate Income
Restricted Price	HCD 70% of Median Income	HCD 110% of Median Income

V. Estimates of Utility Allowances

A. Rental Restrictions – Estimate of Utility Allowance

Utility allowances by unit size are determined by the San Diego Housing Commission. The utility allowance estimate is based on general assumptions regarding the utility profile for a typical residential development. However, the actual utility allowance should be based on the developer's proposed utility profile for a specific project. As such, all rent calculations in this memorandum reflect gross figures, prior to any deductions for utility allowances. See the "San Diego Housing Commission Utility Allowance" to calculate the utility allowance based on a project's actual utility profile.

B. Price Restrictions – Estimate of Utility Allowance

Attachment G (Table G-1) provides the assumptions used to calculate utility allowances by unit size as determined by the San Diego Housing Commission, assuming the utility profile for a typical residential development. As noted above, the actual utility allowance should be based on the developer's proposed utility profile.

attachments

Attachment A

2008 Rent Restrictions California Redevelopment Law

TABLE A-1

RESTRICTED RENTS - VERY LOW INCOME
CRL RENT LIMITS, 2008
CENTRE CITY DEVELOPMENT CORPORATION

California Redevelopment Law Very Low Income (Households at or below 50% AMI) Rental Rates

A. California Redevelopment Law

Number of Bedrooms	0	1	2	3	4
Percent of AMI	50%	50%	50%	50%	50%
Assumed Family Size (1)	1	2	3	4	5
Household Income (2)	\$25,250	\$28,850	\$32,450	\$36,050	\$38,950
Income Allocation to Housing	30%	30%	30%	30%	30%
Monthly Housing Cost	\$631	\$721	\$811	\$901	\$974
(Less) Utility Allowance	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>
Maximum Monthly Rent (3)	\$631	\$721	\$811	\$901	\$974

(1) As assigned by California Redevelopment Law.

(2) State of California Department of Housing and Community Development (HCD) 2008 income limits.

(3) Reflects gross rent. Actual cash rent paid by tenant = gross rent minus utility allowance. See the "San Diego Housing Commission Utility Allowance" to calculate the utility allowance based on a project's actual utility profile.

Source: State of California Department of Housing and Community Development, San Diego Housing Commission, California Redevelopment Law.

TABLE A-2

**RESTRICTED RENTS - LOWER INCOME
CRL RENT LIMITS, 2008
CENTRE CITY DEVELOPMENT CORPORATION**

California Redevelopment Law Lower Income (Households between 51% and 80% AMI) Rental Rates
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A. California Redevelopment Law

Number of Bedrooms	0	1	2	3	4
Percent of AMI	60%	60%	60%	60%	60%
Assumed Family Size (1)	1	2	3	4	5
Household Income (Rounded) (2)	\$30,300	\$34,620	\$38,940	\$43,260	\$46,740
Income Allocation to Housing	30%	30%	30%	30%	30%
Monthly Housing Cost	\$758	\$866	\$974	\$1,082	\$1,169
(Less) Utility Allowance	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>
Maximum Monthly Rent (3)	\$758	\$866	\$974	\$1,082	\$1,169

(1) As assigned by California Redevelopment Law.

(2) State of California Department of Housing and Community Development (HCD) 2008 income limits.

(3) Reflects gross rent. Actual cash rent paid by tenant = gross rent minus utility allowance. See the "San Diego Housing Commission Utility Allowance" to calculate the utility allowance based on a project's actual utility profile.

Source: State of California Department of Housing and Community Development, San Diego Housing Commission, California Redevelopment Law.

TABLE A-3

**RESTRICTED RENTS - MODERATE INCOME
CRL RENT LIMITS, 2008
CENTRE CITY DEVELOPMENT CORPORATION**

California Redevelopment Law Moderate Income (Households between 81% and 120% AMI) Rental Rates
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A. California Redevelopment Law

Number of Bedrooms	0	1	2	3	4
Percent of AMI	110%	110%	110%	110%	110%
Assumed Family Size (1)	1	2	3	4	5
Household Income (Rounded) (2)	\$55,550	\$63,470	\$71,390	\$79,310	\$85,690
Income Allocation to Housing	30%	30%	30%	30%	30%
Monthly Housing Cost	\$1,389	\$1,587	\$1,785	\$1,983	\$2,142
(Less) Utility Allowance	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>
Maximum Monthly Rent (3)	\$1,389	\$1,587	\$1,785	\$1,983	\$2,142

(1) As assigned by California Redevelopment Law.

(2) State of California Department of Housing and Community Development (HCD) 2008 income limits.

(3) Reflects gross rent. Actual cash rent paid by tenant = gross rent minus utility allowance. See the "San Diego Housing Commission Utility Allowance" to calculate the utility allowance based on a project's actual utility profile.

Source: State of California Department of Housing and Community Development, San Diego Housing Commission, California Redevelopment Law.

Attachment B

2008 Rent Restrictions California Redevelopment Law with Low Income Housing Tax Credits

TABLE B-1

**RESTRICTED RENTS - VERY, VERY LOW INCOME
RENT LIMIT CALCULATION, 2008
CENTRE CITY DEVELOPMENT CORPORATION**

**California Redevelopment Law/Low Income Housing Tax Credits
Very, Very Low Income (Households at or below 40% AMI)
Rental Rates**

A. California Redevelopment Law

Number of Bedrooms	0	1	2	3	4
Percent of AMI	40%	40%	40%	40%	40%
Assumed Family Size (1)	1.0	2.0	3.0	4.0	5.0
Household Income (Rounded) (2)	\$20,200	\$23,080	\$25,960	\$28,840	\$31,160
Income Allocation to Housing	30%	30%	30%	30%	30%
Monthly Housing Cost	\$505	\$577	\$649	\$721	\$779
(Less) Utility Allowance	TBD	TBD	TBD	TBD	TBD
Maximum Monthly Rent (3)	\$505	\$577	\$649	\$721	\$779

B. California Redevelopment Law/LIHTCs Household Size

Number of Bedrooms	0	1	2	3	4
Percent of AMI	40%	40%	40%	40%	40%
Assumed Family Size (4)	1.0	1.5	3.0	4.5	6.0
Household Income (Rounded) (2)	\$20,200	\$21,640	\$25,960	\$30,000	\$33,440
Income Allocation to Housing	30%	30%	30%	30%	30%
Monthly Housing Cost	\$505	\$541	\$649	\$750	\$836
(Less) Utility Allowance	TBD	TBD	TBD	TBD	TBD
Maximum Monthly Rent (3)	\$505	\$541	\$649	\$750	\$836

C. Maximum Monthly Rent (Greater of A or B) (3)	\$505	\$577	\$649	\$750	\$836
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(1) As assigned by California Redevelopment Law.

(2) State of California Department of Housing and Community Development (HCD) 2008 income limits.

(3) Reflects gross rent. Actual cash rent paid by tenant = gross rent minus utility allowance. See the "San Diego Housing Commission Utility Allowance" to calculate the utility allowance based on a project's actual utility profile.

(4) As assigned by the Low Income Housing Tax Credit (LIHTC) program.

Source: State of California Department of Housing and Community Development, San Diego Housing Commission, California Redevelopment Law.

TABLE B-2

California Redevelopment Law/Low Income Housing Tax Credits Very Low Income (Households at or below 50% AMI) Rental Rates
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RESTRICTED RENTS - VERY LOW INCOME
RENT LIMIT CALCULATION, 2008
CENTRE CITY DEVELOPMENT CORPORATION

A. California Redevelopment Law

Number of Bedrooms	0	1	2	3	4
Percent of AMI	50%	50%	50%	50%	50%
Assumed Family Size (1)	1.0	2.0	3.0	4.0	5.0
Household Income (2)	\$25,250	\$28,850	\$32,450	\$36,050	\$38,950
Income Allocation to Housing	30%	30%	30%	30%	30%
Monthly Housing Cost	\$631	\$721	\$811	\$901	\$974
(Less) Utility Allowance	TBD	TBD	TBD	TBD	TBD
Maximum Monthly Rent (3)	\$631	\$721	\$811	\$901	\$974

B. California Redevelopment Law/LIHTCs Household Size

Number of Bedrooms	0	1	2	3	4
Percent of AMI	50%	50%	50%	50%	50%
Assumed Family Size (4)	1.0	1.5	3.0	4.5	6.0
Household Income (2)	\$25,250	\$27,050	\$32,450	\$37,500	\$41,800
Income Allocation to Housing	30%	30%	30%	30%	30%
Monthly Housing Cost	\$631	\$676	\$811	\$938	\$1,045
(Less) Utility Allowance	TBD	TBD	TBD	TBD	TBD
Maximum Monthly Rent (3)	\$631	\$676	\$811	\$938	\$1,045

C. Maximum Monthly Rent (Greater of A or B) (3)	\$631	\$721	\$811	\$938	\$1,045
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(1) As assigned by California Redevelopment Law.

(2) State of California Department of Housing and Community Development (HCD) 2008 income limits.

(3) Reflects gross rent. Actual cash rent paid by tenant = gross rent minus utility allowance. See the "San Diego Housing Commission Utility Allowance" to calculate the utility allowance based on a project's actual utility profile.

(4) As assigned by the Low Income Housing Tax Credit (LIHTC) program.

Source: State of California Department of Housing and Community Development, San Diego Housing Commission, California Redevelopment Law.

TABLE B-3

California Redevelopment Law/Low Income Housing Tax Credits Lower Income (Households between 51% and 60% AMI) Rental Rates

RESTRICTED RENTS - LOWER INCOME
RENT LIMIT CALCULATION, 2008
CENTRE CITY DEVELOPMENT CORPORATION

A. California Redevelopment Law

Number of Bedrooms	0	1	2	3	4
Percent of AMI	60%	60%	60%	60%	60%
Assumed Family Size (1)	1.0	2.0	3.0	4.0	5.0
Household Income (Rounded) (2)	\$30,300	\$34,620	\$38,940	\$43,260	\$46,740
Income Allocation to Housing	30%	30%	30%	30%	30%
Monthly Housing Cost	\$758	\$866	\$974	\$1,082	\$1,169
(Less) Utility Allowance	TBD	TBD	TBD	TBD	TBD
Maximum Monthly Rent (3)	\$758	\$866	\$974	\$1,082	\$1,169

B. California Redevelopment Law/LIHTCs Household Size

Number of Bedrooms	0	1	2	3	4
Percent of AMI	60%	60%	60%	60%	60%
Assumed Family Size (4)	1.0	1.5	3.0	4.5	6.0
Household Income (Rounded) (2)	\$30,300	\$32,460	\$38,940	\$45,000	\$50,160
Income Allocation to Housing	30%	30%	30%	30%	30%
Monthly Housing Cost	\$758	\$812	\$974	\$1,125	\$1,254
(Less) Utility Allowance	TBD	TBD	TBD	TBD	TBD
Maximum Monthly Rent (3)	\$758	\$812	\$974	\$1,125	\$1,254

C. Maximum Monthly Rent (Greater of A or B) (3)	\$758	\$866	\$974	\$1,125	\$1,254
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(1) As assigned by California Redevelopment Law.

(2) State of California Department of Housing and Community Development (HCD) 2008 income limits.

(3) Reflects gross rent. Actual cash rent paid by tenant = gross rent minus utility allowance. See the "San Diego Housing Commission Utility Allowance" to calculate the utility allowance based on a project's actual utility profile.

(4) As assigned by the Low Income Housing Tax Credit (LIHTC) program.

Source: State of California Department of Housing and Community Development, San Diego Housing Commission, California Redevelopment Law.

Attachment C

2008 Rent Restrictions Low Income Housing Tax Credits

TABLE C-1

**RESTRICTED RENTS - VERY, VERY LOW INCOME
LIHTC RENT LIMITS, 2008
CENTRE CITY DEVELOPMENT CORPORATION**

**Low Income Housing Tax Credit (LIHTC) Program
Very, Very Low Income (Households at or below 40% AMI)
Rental Rates**

A. Low Income Housing Tax Credit (LIHTC) Program

Number of Bedrooms	0	1	2	3	4
Percent of AMI	40%	40%	40%	40%	40%
Assumed Family Size (1)	1.0	1.5	3.0	4.5	6.0
Household Income (2)	\$22,120	\$23,700	\$28,440	\$32,860	\$36,640
Income Allocation to Housing	30%	30%	30%	30%	30%
Monthly Housing Cost (3)	\$553	\$592	\$711	\$821	\$916
(Less) Utility Allowance	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>
Maximum Monthly Rent (4)	\$553	\$592	\$711	\$821	\$916

B. CRL - Maximum Monthly Rent (4)(5)	\$505	\$577	\$649	\$750	\$836
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C. Maximum Monthly Rent (Lesser of A or B) (4)	\$505	\$577	\$649	\$750	\$836
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(1) As assigned by the Low Income Housing Tax Credit (LIHTC) program.

(2) California Tax Credit Allocation Committee 2008 maximum income levels.

(3) California Tax Credit Allocation Committee 2008 maximum rents.

(4) Reflects gross rent. Actual cash rent paid by tenant = gross rent minus utility allowance. See the "San Diego Housing Commission Utility Allowance" to calculate the utility allowance based on a project's actual utility profile.

(5) See Table B-1.

Source: San Diego Housing Commission, California Tax Credit Allocation Committee.

TABLE C-2

**RESTRICTED RENTS - VERY LOW INCOME
LIHTC RENT LIMITS, 2008
CENTRE CITY DEVELOPMENT CORPORATION**

**Low Income Housing Tax Credit (LIHTC) Program
Very Low Income (Households between 41% and 50% AMI)
Rental Rates**

A. Low Income Housing Tax Credit (LIHTC) Program

Number of Bedrooms	0	1	2	3	4
Percent of AMI	50%	50%	50%	50%	50%
Assumed Family Size (1)	1.0	1.5	3.0	4.5	6.0
Household Income (2)	\$27,650	\$29,625	\$35,500	\$41,075	\$45,800
Income Allocation to Housing	30%	30%	30%	30%	30%
Monthly Housing Cost (3)	\$691	\$740	\$888	\$1,026	\$1,145
(Less) Utility Allowance	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>
Maximum Monthly Rent (4)	\$691	\$740	\$888	\$1,026	\$1,145

B. CRL - Maximum Monthly Rent (4)(5)	\$631	\$721	\$811	\$938	\$1,045
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C. Maximum Monthly Rent (Lesser of A or B) (4)	\$631	\$721	\$811	\$938	\$1,045
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(1) As assigned by the Low Income Housing Tax Credit (LIHTC) program.

(2) California Tax Credit Allocation Committee 2008 maximum income levels.

(3) California Tax Credit Allocation Committee 2008 maximum rents.

(4) Reflects gross rent. Actual cash rent paid by tenant = gross rent minus utility allowance. See the "San Diego Housing Commission Utility Allowance" to calculate the utility allowance based on a project's actual utility profile.

(5) See Table B-2.

Source: San Diego Housing Commission, California Tax Credit Allocation Committee.

TABLE C-3

**RESTRICTED RENTS - LOWER INCOME
LIHTC RENT LIMITS, 2008
CENTRE CITY DEVELOPMENT CORPORATION**

**Low Income Housing Tax Credit (LIHTC) Program
Lower Income (Households between 51% and 60% AMI)
Rental Rates**

A. Low Income Housing Tax Credit (LIHTC) Program

Number of Bedrooms	0	1	2	3	4
Percent of AMI	60%	60%	60%	60%	60%
Assumed Family Size (1)	1.0	1.5	3.0	4.5	6.0
Household Income (2)	\$33,180	\$35,550	\$42,660	\$49,290	\$54,960
Income Allocation to Housing	30%	30%	30%	30%	30%
Monthly Housing Cost (3)	\$829	\$888	\$1,066	\$1,232	\$1,374
(Less) Utility Allowance	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>
Maximum Monthly Rent	\$829	\$888	\$1,066	\$1,232	\$1,374

B. CRL - Maximum Monthly Rent (4)(5)	\$758	\$866	\$974	\$1,125	\$1,254
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C. Maximum Monthly Rent (Lesser of A or B) (4)	\$758	\$866	\$974	\$1,125	\$1,254
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(1) As assigned by the Low Income Housing Tax Credit (LIHTC) program.

(2) California Tax Credit Allocation Committee 2008 maximum income levels.

(3) California Tax Credit Allocation Committee 2008 maximum rents.

(4) Reflects gross rent. Actual cash rent paid by tenant = gross rent minus utility allowance. See the "San Diego Housing Commission Utility Allowance" to calculate the utility allowance based on a project's actual utility profile.

(5) See Table B-3.

Source: San Diego Housing Commission, California Tax Credit Allocation Committee.

Attachment D

2008 Price Restrictions California Redevelopment Law Mid-Rise/High-Rise Condominiums

California Redevelopment Law Lower Income (Households between 51% and 80% AMI) Sales Price

TABLE D-1

RESTRICTED PRICES - MID-RISE/HIGH-RISE CONDOMINIUMS - LOWER INCOME
CRL PRICE LIMITS, 2008
CENTRE CITY DEVELOPMENT CORPORATION

Number of Bedrooms	0	1	2	3	4
Percent of AMI	70.00%	70.00%	70.00%	70.00%	70.00%
Assumed Family Size (1)	1	2	3	4	5
Household Income (2)	\$35,350	\$40,390	\$45,430	\$50,470	\$54,530
Income Allocation to Housing	30.00%	30.00%	30.00%	30.00%	30.00%
Amount Available for Housing	\$10,605	\$12,117	\$13,629	\$15,141	\$16,359
Annual HOA (3)	\$3,600	\$4,200	\$5,100	\$6,000	\$6,600
Annual Utilities (4)	\$600	\$900	\$1,100	\$1,300	\$1,700
Tax Rate	1.15%	1.15%	1.15%	1.15%	1.15%
Annual Taxes (5)	\$886	\$966	\$1,024	\$1,081	\$1,104
Available for Mortgage	\$5,520	\$6,051	\$6,406	\$6,760	\$6,955
Interest Rate	6.50%	6.50%	6.50%	6.50%	6.50%
Down Payment	5.00%	5.00%	5.00%	5.00%	5.00%
Supportable Mortgage	\$72,770	\$79,778	\$84,452	\$89,125	\$91,696
Add: Down Payment	<u>\$3,850</u>	<u>\$4,200</u>	<u>\$4,450</u>	<u>\$4,700</u>	<u>\$4,800</u>
Maximum Unit Price (Rounded)	\$77,000	\$84,000	\$89,000	\$94,000	\$96,000

(1) As assigned by California Redevelopment Law.

(2) State of California Department of Housing and Community Development (HCD) 2008 income limits.

(3) Allowance for structure insurance, maintenance, and reserves.

(4) See Table G-1.

(5) Based on affordable unit price. Property tax assessment may be based on market value of actual unit.

Source: State of California Department of Housing and Community Development, San Diego Housing Commission, California Redevelopment Law H&SC § 50052.5.

Prepared by: Keyser Marston Associates, Inc.

Filename: i:\affhsng\CCDC_2008; 4/10/2008;rks

California Redevelopment Law Moderate Income (Households between 81% and 120% AMI) Sales Price

TABLE D-2

RESTRICTED PRICES - MID-RISE/HIGH-RISE CONDOMINIUMS - MODERATE INCOME
CRL PRICE LIMITS, 2008
CENTRE CITY DEVELOPMENT CORPORATION

Number of Bedrooms	0	1	2	3	4
Percent of AMI	110.0%	110.0%	110.0%	110.0%	110.0%
Assumed Family Size (1)	1	2	3	4	5
Household Income (2)	\$55,550	\$63,470	\$71,390	\$79,310	\$85,690
Income Allocation to Housing	35.0%	35.0%	35.0%	35.0%	35.0%
Amount Available for Housing	\$19,443	\$22,215	\$24,987	\$27,759	\$29,992
Annual HOA (3)	\$3,600	\$4,200	\$5,100	\$6,000	\$6,600
Annual Utilities (4)	\$600	\$900	\$1,100	\$1,300	\$1,700
Tax Rate	1.15%	1.15%	1.15%	1.15%	1.15%
Annual Taxes (5)	\$2,093	\$2,358	\$2,588	\$2,818	\$2,990
Available for Mortgage	\$13,150	\$14,757	\$16,199	\$17,641	\$18,702
Interest Rate	6.50%	6.50%	6.50%	6.50%	6.50%
Down Payment	5.00%	5.00%	5.00%	5.00%	5.00%
Supportable Mortgage	\$173,366	\$194,560	\$213,571	\$232,583	\$246,565
Add: Down Payment	<u>\$9,100</u>	<u>\$10,250</u>	<u>\$11,250</u>	<u>\$12,250</u>	<u>\$13,000</u>
Maximum Unit Price (Rounded)	\$182,000	\$205,000	\$225,000	\$245,000	\$260,000

(1) As assigned by California Redevelopment Law.

(2) State of California Department of Housing and Community Development (HCD) 2008 income limits.

(3) Allowance for structure insurance, maintenance, and reserves.

(4) See Table G-1.

(5) Based on affordable unit price. Property tax assessment may be based on market value of actual home.

Source: State of California Department of Housing and Community Development, San Diego Housing Commission, California Redevelopment Law H&SC § 50052.5.

Prepared by: Keyser Marston Associates, Inc.

Filename: i:\affrdhsng\CCDC_2008; 4/10/2008;rks

Attachment E

2008 Price Restrictions California Redevelopment Law Low-Rise Stacked Flat Condominiums

California Redevelopment Law Lower Income (Households between 51% and 80% AMI) Sales Price

TABLE E-1

RESTRICTED PRICES - LOW-RISE STACKED FLAT CONDOMINIUMS - LOWER INCOME
CRL PRICE LIMITS, 2008
CENTRE CITY DEVELOPMENT CORPORATION

Number of Bedrooms	0	1	2	3	4
Percent of AMI	70.00%	70.00%	70.00%	70.00%	70.00%
Assumed Family Size (1)	1	2	3	4	5
Household Income (2)	\$35,350	\$40,390	\$45,430	\$50,470	\$54,530
Income Allocation to Housing	30.00%	30.00%	30.00%	30.00%	30.00%
Amount Available for Housing	\$10,605	\$12,117	\$13,629	\$15,141	\$16,359
Annual HOA (3)	\$2,700	\$3,300	\$3,900	\$4,200	\$4,500
Annual Utilities (4)	\$600	\$900	\$1,100	\$1,300	\$1,700
Tax Rate	1.15%	1.15%	1.15%	1.15%	1.15%
Annual Taxes (5)	\$1,001	\$1,093	\$1,185	\$1,323	\$1,403
Available for Mortgage	\$6,305	\$6,825	\$7,445	\$8,319	\$8,756
Interest Rate	6.50%	6.50%	6.50%	6.50%	6.50%
Down Payment	5.00%	5.00%	5.00%	5.00%	5.00%
Supportable Mortgage	\$83,120	\$89,976	\$98,150	\$109,673	\$115,441
Add: Down Payment	<u>\$4,350</u>	<u>\$4,750</u>	<u>\$5,150</u>	<u>\$5,750</u>	<u>\$6,100</u>
Maximum Unit Price (Rounded)	\$87,000	\$95,000	\$103,000	\$115,000	\$122,000

(1) As assigned by California Redevelopment Law.

(2) State of California Department of Housing and Community Development (HCD) 2008 income limits.

(3) Allowance for structure insurance, maintenance, and reserves.

(4) See Table G-1.

(5) Based on affordable unit price. Property tax assessment may be based on market value of actual unit.

Source: State of California Department of Housing and Community Development, San Diego Housing Commission, California Redevelopment Law H&SC § 50052.5.

Prepared by: Keyser Marston Associates, Inc.

Filename: i:\affhsng\CCDC_2008; 4/10/2008;rks

California Redevelopment Law Moderate Income (Households between 81% and 120% AMI) Sales Price

TABLE E-2

RESTRICTED PRICES - LOW-RISE STACKED FLAT CONDOMINIUMS - MODERATE INCOME
CRL PRICE LIMITS, 2008
CENTRE CITY DEVELOPMENT CORPORATION

Number of Bedrooms	0	1	2	3	4
Percent of AMI	110.0%	110.0%	110.0%	110.0%	110.0%
Assumed Family Size (1)	1	2	3	4	5
Household Income (2)	\$55,550	\$63,470	\$71,390	\$79,310	\$85,690
Income Allocation to Housing	35.0%	35.0%	35.0%	35.0%	35.0%
Amount Available for Housing	\$19,443	\$22,215	\$24,987	\$27,759	\$29,992
Annual HOA (3)	\$2,700	\$3,300	\$3,900	\$4,200	\$4,500
Annual Utilities (4)	\$600	\$900	\$1,100	\$1,300	\$1,700
Tax Rate	1.15%	1.15%	1.15%	1.15%	1.15%
Annual Taxes (5)	\$2,220	\$2,484	\$2,749	\$3,059	\$3,278
Available for Mortgage	\$13,923	\$15,531	\$17,238	\$19,200	\$20,514
Interest Rate	6.50%	6.50%	6.50%	6.50%	6.50%
Down Payment	5.00%	5.00%	5.00%	5.00%	5.00%
Supportable Mortgage	\$183,564	\$204,758	\$227,270	\$253,131	\$270,461
Add: Down Payment	<u>\$9,650</u>	<u>\$10,800</u>	<u>\$11,950</u>	<u>\$13,300</u>	<u>\$14,250</u>
Maximum Unit Price (Rounded)	\$193,000	\$216,000	\$239,000	\$266,000	\$285,000

(1) As assigned by California Redevelopment Law.

(2) State of California Department of Housing and Community Development (HCD) 2008 income limits.

(3) Allowance for structure insurance, maintenance, and reserves.

(4) See Table G-1.

(5) Based on affordable unit price. Property tax assessment may be based on market value of actual home.

Source: State of California Department of Housing and Community Development, San Diego Housing Commission, California Redevelopment Law H&SC § 50052.5.

Prepared by: Keyser Marston Associates, Inc.

Filename: i:\affrdhsng\CCDC_2008; 4/10/2008;rks

Attachment F

2008 Price Restrictions California Redevelopment Law Townhomes/Single-Family Homes

California Redevelopment Law Lower Income (Households between 51% and 80% AMI) Sales Price

TABLE F-1

RESTRICTED PRICES - TOWNHOMES/SINGLE-FAMILY HOMES - LOWER INCOME
CRL PRICE LIMITS, 2008
CENTRE CITY DEVELOPMENT CORPORATION

Number of Bedrooms	0	1	2	3	4
Percent of AMI	70.00%	70.00%	70.00%	70.00%	70.00%
Assumed Family Size (1)	1	2	3	4	5
Household Income (2)	\$35,350	\$40,390	\$45,430	\$50,470	\$54,530
Income Allocation to Housing	30.00%	30.00%	30.00%	30.00%	30.00%
Amount Available for Housing	\$10,605	\$12,117	\$13,629	\$15,141	\$16,359
Annual HOA (3)	\$1,200	\$1,500	\$1,800	\$2,100	\$2,400
Annual Utilities (4)	\$600	\$900	\$1,100	\$1,300	\$1,700
Tax Rate	1.15%	1.15%	1.15%	1.15%	1.15%
Annual Taxes (5)	\$1,208	\$1,334	\$1,472	\$1,622	\$1,691
Available for Mortgage	\$7,598	\$8,383	\$9,257	\$10,120	\$10,569
Interest Rate	6.50%	6.50%	6.50%	6.50%	6.50%
Down Payment	5.00%	5.00%	5.00%	5.00%	5.00%
Supportable Mortgage	\$100,167	\$110,523	\$122,046	\$133,418	\$139,338
Add: Down Payment	<u>\$5,250</u>	<u>\$5,800</u>	<u>\$6,400</u>	<u>\$7,050</u>	<u>\$7,350</u>
Maximum Unit Price (Rounded)	\$105,000	\$116,000	\$128,000	\$140,000	\$147,000

(1) As assigned by California Redevelopment Law.

(2) State of California Department of Housing and Community Development (HCD) 2008 income limits.

(3) Allowance for structure insurance, maintenance, and reserves.

(4) See Table G-1.

(5) Based on affordable unit price. Property tax assessment may be based on market value of actual unit.

Source: State of California Department of Housing and Community Development, San Diego Housing Commission, California Redevelopment Law H&SC § 50052.5.

Prepared by: Keyser Marston Associates, Inc.

Filename: i:\affhsng\CCDC_2008; 4/10/2008;rks

California Redevelopment Law Moderate Income (Households between 81% and 120% AMI) Sales Price

TABLE F-2

RESTRICTED PRICES - TOWNHOMES/SINGLE-FAMILY HOMES - MODERATE INCOME
CRL PRICE LIMITS, 2008
CENTRE CITY DEVELOPMENT CORPORATION

Number of Bedrooms	0	1	2	3	4
Percent of AMI	110.0%	110.0%	110.0%	110.0%	110.0%
Assumed Family Size (1)	1	2	3	4	5
Household Income (2)	\$55,550	\$63,470	\$71,390	\$79,310	\$85,690
Income Allocation to Housing	35.0%	35.0%	35.0%	35.0%	35.0%
Amount Available for Housing	\$19,443	\$22,215	\$24,987	\$27,759	\$29,992
Annual HOA (3)	\$1,200	\$1,500	\$1,800	\$2,100	\$2,400
Annual Utilities (4)	\$600	\$900	\$1,100	\$1,300	\$1,700
Tax Rate	1.15%	1.15%	1.15%	1.15%	1.15%
Annual Taxes (5)	\$2,427	\$2,726	\$3,036	\$3,358	\$3,565
Available for Mortgage	\$15,216	\$17,089	\$19,051	\$21,001	\$22,327
Interest Rate	6.50%	6.50%	6.50%	6.50%	6.50%
Down Payment	5.00%	5.00%	5.00%	5.00%	5.00%
Supportable Mortgage	\$200,611	\$225,305	\$251,166	\$276,876	\$294,358
Add: Down Payment	<u>\$10,550</u>	<u>\$11,850</u>	<u>\$13,200</u>	<u>\$14,600</u>	<u>\$15,500</u>
Maximum Unit Price (Rounded)	\$211,000	\$237,000	\$264,000	\$291,000	\$310,000

(1) As assigned by California Redevelopment Law.

(2) State of California Department of Housing and Community Development (HCD) 2008 income limits.

(3) Allowance for structure insurance, maintenance, and reserves.

(4) See Table G-1.

(5) Based on affordable unit price. Property tax assessment may be based on market value of actual home.

Source: State of California Department of Housing and Community Development, San Diego Housing Commission, California Redevelopment Law H&SC § 50052.5.

Prepared by: Keyser Marston Associates, Inc.

Filename: i:\affrdhsng\CCDC_2008; 4/10/2008;rks

Attachment G

Utility Allowances

TABLE G-1

**UTILITY ALLOWANCES - FOR-SALE UNITS
CRL PRICE LIMITS, 2008
CENTRE CITY DEVELOPMENT CORPORATION**

A. Utilities (Annual) ⁽¹⁾

Number of Bedrooms	0	1	2	3	4
Electric Heat	\$24	\$36	\$48	\$48	\$72
Gas Cooking	\$60	\$72	\$96	\$120	\$156
Gas Water Heater	\$84	\$120	\$156	\$180	\$240
Other Electric	\$108	\$144	\$180	\$228	\$288
Water & Sewer	<u>\$360</u>	<u>\$492</u>	<u>\$636</u>	<u>\$768</u>	<u>\$972</u>
Total Utilities	\$636	\$864	\$1,116	\$1,344	\$1,728
Total Annual Utilities	\$636	\$864	\$1,116	\$1,344	\$1,728
Or Say (Rounded)	\$600	\$900	\$1,100	\$1,300	\$1,700

(1) Source: San Diego Housing Commission 2008 Utility Allowance Schedule, March 10, 2008.